

PRESS RELEASE

INTRODUCING *BANCA PROSSIMA*, THE FIRST EUROPEAN BANK DEDICATED EXCLUSIVELY TO SOCIAL AND NON-PROFIT ENTITIES

- **Available beginning 5 November, through Intesa Sanpaolo's 6,200 branch locations, with 60 regional centres and 100 specialists covering the entire country**
- **Three-year objective: to serve at least 10,000 more non-profit entities throughout Italy, in addition to the 50,000 that Intesa Sanpaolo already assists**
- **All of the proceeds will be reinvested in the "Fondo per lo Sviluppo dell'Impresa Sociale" (Social Enterprise Development Fund) to support projects that otherwise would not have access to credit**

Milan, 29 October, 2007 - Intesa Sanpaolo, which already serves more than 50,000 non-profit entities throughout Italy, presents **Banca Prossima**, the first European bank dedicated exclusively to social and non-profit initiatives. It will be launched on 5 November 2007.

The non-profit sectors in Italy and the United Kingdom are Europe's largest by size. Italy has 250,000 of these organisations, with four million volunteers and employees, revenue of 46 billion euro, and steady growth of ten percent over the past five years. Italy also leads this sector in terms of progressiveness, with a predominantly young (65% aged below 40) and female (60%) workforce, and with a high concentration of university or college graduates (70%). As a whole, non-profit groups are the second largest provider of social services, after the public sector.

Many social enterprises, however, have trouble negotiating with the credit system, due to problems such as financial weakness, a lack of professional management, and difficulties in convincing others that their growth plans are realistic. However, the effect of recent economic, social, and institutional developments, along with the new regulations governing the sector, has been to encourage non-profit groups toward adopting more structured organisational forms and to improve their access to credit.

This also inspired Intesa Sanpaolo to further increase its own capacity to support social and community-based initiatives, by creating the Banca Prossima project.

The Group's new bank is founded upon decades of experience of dealing with the non-profit sector, and also upon the three years of operating of the Laboratorio Banca Società, which has focused on designing and implementing innovative banking services for subjects with more severe financing difficulties: university students, social groups, people receiving unemployment benefits, and families with disabled members.

Projects such as **PAN** (which has already created 260 child care centres in Italy), **Bridge** (a college loan programme for the students of 23 institutions), **Anticipazione Sociale** (for the support of people receiving unemployment benefits), **Tuttinsieme** (financing reserved for families with dependent elderly members), **A scuola di Risparmio** (a programme for teaching primary school children about saving money), **Fondazione Talenti** (concerned with the mission and property holdings of religious orders), and **Mutuo Atipico** (financing to help workers on fixed-term contracts buy their first home)

have been a testing ground gaining concrete experiences and developing professional skills for the new bank.

Banca Prossima will offer a full range of specific products and services, created in collaboration with the non-profit entities and intended for social and religious groups. The new bank will **operate through the 6,200 branches of the Group**, with **60 regional centres** for more complex transactions and a network of **100 specialists**, selected from among the employees of Intesa Sanpaolo according to their professional competence, but also based on their personal involvement in the non-profit sector.

Banca Prossima will develop increasingly specialised evaluation tools, such as the **Non-profit Rating** system, which will combine the traditional methods of financial analysis with the consideration of other elements, such as the capacity for fundraising, the success of projects financed by the public administration and by foundations, the level of demand from the private sector, and internal governance, opening a new chapter in the process of evaluating non-profit enterprises.

Intesa Sanpaolo has endowed the **new bank** with a **significant sharecapital - 120 million euro**. All of the proceeds of Banca Prossima will be used for the bank's own growth. Some of this money will be used to maintain the capital base to guarantee full sustainability of this initiative; the rest will be added to the **"Fondo per lo Sviluppo dell'Impresa Sociale"** which will allow the bank to assist borrowers and projects that otherwise would not have access to credit.

Banca Prossima has set ambitious goals for its first three years of activity: it aims to serve at least **10,000 more non-profit entities throughout Italy**, to increase the **"Fondo per lo Sviluppo dell'Impresa Sociale"** up to 20 million euro - permitting the bank to extend up to 80 million euro in loans to non-profit enterprises without access to other forms of credit - and **to create network projects in all sectors of non-profit activity**, with characteristics and results similar to those of PAN (Progetto Asili Nido, the child care project).

A Solidarity and Development Committee made up of individuals with significant experience in the non-profit, cooperative development, microcredit, and civil economy sectors will advise on the main directions for Banca Prossima's activity. The members of the committee - which may be expanded in the future - are Pierpaolo Donati, Johnny Dotti, Gianni La Bella, Felice Scalvini, and Carlo Secchi.

With Banca Prossima, Gruppo Intesa Sanpaolo intends to launch a resource designed according to the practices and characteristics of the non-profit world, both secular and religious. It is a project calculated to respond rapidly and more effectively to the needs of non-profit ventures, in order to improve the quality of banking services dedicated to them and to participate directly, through a specific initiative, in the growth of what has been termed "the industry of the common good".

For more information

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